| March 2, 2001 | Committee | |
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| | Report No. | 01-41 |

Honorable Chair and Members of the County Council County of Maui Wailuku, Maui, Hawaii

Chair and Members:

Your Land Use Committee, having met on January 29, 2001, makes reference to County Communication No. 01-35, from the Planning Director, transmitting a draft bill entitled "A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. 2317 (CONDITIONAL ZONING) TO AMEND CONDITION 2(C) AND DELETE CONDITION 4 FOR PROPERTY SITUATED AT NAPILI, LAHAINA, MAUI, HAWAII".

The purpose of the draft bill is to approve a requested change in zoning amendment to amend conditions and a unilateral agreement with respect to Ordinance No. 2317 for Napilihau Villages at Napili, Lahaina, Maui (TMK: 4-3-003:110, 122 and 123). Approval of the draft bill would facilitate the applicant's development of the 184-unit Napili Villas multi-family project. Specifically, the draft bill would amend Ordinance No. 2317 by revising Condition 2(c) to delete the requirement for acceleration and deceleration lanes for access to the project site from Honoapi`ilani Highway and by deleting Condition 4 to eliminate marketing restrictions for the sale of residential units.

Your Committee notes that the Maui Planning Commission held a public hearing and meeting on the requested change in zoning on December 12, 2000. At the hearing, two individuals testified in support of the requested change in zoning. In addition, 14 letters were received (12 in support; 1 supporting the deletion of Condition 4, but not supporting the revision of Condition 2(c); and 1 providing comments). After reviewing the findings presented in the documents entitled "MAUI PLANNING DEPARTMENT'S REPORT TO THE MAUI PLANNING COMMISSION DECEMBER 12, 2000 MEETING" AND "MAUI PLANNING DEPARTMENT RECOMMENDATION TO THE MAUI PLANNING COMMISSION DECEMBER 12, 2000 MEETING," the Commission voted to recommend approval of the requested change in zoning.

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By letter dated January 24, 2001, Issac Hall, Attorney at Law, submitted comments on behalf of the Kahana Sunset Owners Association supporting the requested change in zoning.

At its meeting, your Committee met with the Planning Director; a Planner from the Department of Planning; a Deputy Corporation Counsel; Kathy Inouye, on behalf of General Services, Inc., the applicant; Gwen Ohashi Hiraga, the applicant's consultant; and Ronald Fukumoto, the applicant's civil engineer.

Your Committee received oral and written testimony in support of the requested change in zoning, including individuals who identified themselves as prospective homeowners at Napili Villas.

The applicant's consultant presented a computer-generated slideshow exhibiting the project site and providing background information on the requested change in zoning.

The Planning Director informed your Committee that the State Department of Transportation (DOT) did not require an acceleration lane.

The applicant informed your Committee that the DOT and private traffic engineers had opined that an acceleration lane would not compromise traffic safety. She stated that the requested amendment to the change in zoning condition is intended to support public health and safety.

The applicant's civil engineer, with the aid of a displayed map, provided your Committee with information relating to existing and projected traffic patterns on Honoapi`ilani Highway and other roads near the Napili Villas project.

After substantial discussion regarding existing and projected traffic patterns, your Committee voted to approve the proposed revision to Condition 2(c) subject to a new amendment that would retain the existing requirement for a deceleration lane. Your Committee also voted to not delete Condition 4, but rather to include a new version of Condition 4 that would require the applicant to offer residential units during the first six months of the Napili Villas marketing period at or below 140 percent of the area median income.

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Pursuant to the new Condition 4, Napili Villas sales prices during the first six months of marketing will be established pursuant to the following guidelines:

- The Department of Housing and Human Concerns, in conjunction with Housing and Community Development Corporation of Hawai`i, maintains a table entitled "AFFORDABLE SALES PRICES GUIDELINES", which lists affordable sales prices for single-family and multi-family homes at various median income levels for the island of Maui, as determined by the United States Department of Housing and Urban Development.
- 2. During the initial six-month marketing period for the Napili Villas development, sales prices will be set at or below a level that is affordable for families at 140 percent of median income, according to the most recently published version of the above-referenced table, based on the then-prevailing interest rates, as determined by the Department of Housing and Concerns, for a 30-year, fixed-rate mortgage, with no points.
- 3. The sales prices will be advertised as required by State law for the sale of condominiums in an owner-occupancy presale advertisement for two consecutive weeks at the beginning of the marketing period.
- 4. Regardless of any changes in interest rates during the initial six-month marketing period, the developer will maintain prices at or below the sales prices advertised at the beginning of the initial marketing period.

With these revisions, your Committee voted to recommend approval of the draft bill, recording of the Unilateral Agreement, and filing of the communication.

Your Committee is in receipt of a revised proposed bill entitled "A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. 2317 (CONDITIONAL ZONING) TO REVISE CONDITIONS 2(C) AND 4 FOR PROPERTY SITUATED AT NAPILI, LAHAINA, MAUI, HAWAII", incorporating the revisions approved by

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| correspondi | ittee as well as correcting thing unilateral agreement, signe | ed by the applicant. | | and a |
| Your 1. | Land Use Committee RECON That Bill No (hereto, entitled "A BILL ORDINANCE NO. 2317 (C CONDITIONS 2(C) AND NAPILI, LAHAINA, MAUI, I BE ORDERED TO PRINT; | 2001), as revised he FOR AN ORDINAN CONDITIONAL ZONI 4 FOR PROPERTY | rein and att ICE TO AI NG) TO RI / SITUATE | MEND EVISE D AT |
| 2. | That the County Clerk RECO | ORD the unilateral agr | reement; and | b |
| 3. | That County Communication | No. 01-35 be FILED. | | |
| Adop | tion of this report is respectfull | y requested. | | |

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